

**UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF TENNESSEE
AT KNOXVILLE**

UNITED STATES OF AMERICA)
)
)
)
v.)
)
)
MAURECE DAMONE McDOWELL)

No. 3:15-CR-149
JUDGE VARLAN

AGREED PRELIMINARY ORDER OF FORFEITURE

On November 3, 2015 an Indictment was filed charging the defendant, MAURECE DAMONE McDOWELL, in Count One with conducting, financing, managing, supervising, directing and owning an illegal gambling operation in violation of Title 18, United States Code, Sections 1955 and 2, and in Count Two with conspiracy to commit money laundering in violation of Title 18, United States Code, Section 1956(h).

In the forfeiture allegations of the Indictment in the above-styled case, the United States sought forfeiture of the interest of the defendant, MAURECE DAMONE McDOWELL, pursuant to Title 18, United States Code, Sections 1955(d) and Title 28, United States Code, Section 2461(c), in any property, including money, used in the offense in violation of Title 18, United States Code, Section 1955(a), and pursuant to Title 18, United States Code, Section 981(a)(1)(C) and Title 28, United States Code, Section 2461(c), in any property, real or personal, which constitutes or is derived from proceeds traceable to the commission of the offense.

The United States also alleged forfeiture pursuant to Title 18, United States Code, Section 982(a)(1), in any property real or personal, involved in the offense of Title 18, United States Code, Section 1956(h), and any property traceable to such property. The properties to be forfeited include but are not limited to the following:

a. Money Judgment

a money judgment in the sum of \$20,000,000 which represents money obtained by the defendant as proceeds of the illegal gambling business in violation of 18 U.S.C. § 1955 and funds of the defendant that were involved in financial transactions conducted in violation of 18 U.S.C. § 1956(h).

b. Bank Accounts¹

- i) U.S. Currency in the amount of \$2,264.12, seized from People's Bank of the South account number xxx9895 in the name of Triple M Property Management, LLC, and Maurece McDowell;
- ii) U.S. Currency in the amount of \$14,368.63, seized from People's Bank of the South account number xxx5838 in the name of Clarence McDowell;
- iii) U.S. Currency in the amount of \$3,351.25, seized from People's Bank of the South account number xxx5862 in the name of Lonsdale Payment Center;
- iv) Contents of People's Bank of the South, account number xxx619 in the name of Palace Package Store, Inc. and Clarence McDowell;
- v) U.S. Currency in the amount of \$3,659.66, seized from TVA Employee Credit Union account number xxx7348 in the name of George Marcus Hall;
- vi) U.S. Currency in the amount of \$10,387.41, seized from BB&T account number xxx8618, in the name of George Marcus Hall;
- vii) U.S. Currency in the amount of \$102,024.11, seized from BB&T account number xxx6280, in the name of George Marcus Hall;
- viii) Contents of Wells Fargo Advisor Account, account number xxx0664 in the name of George Marcus Hall; and
- ix) Contents of Wells Fargo Advisor Account, account number xxx2947 in the name of George Marcus Hall.

¹ Administrative Forfeiture was completed by the United States Department of Treasury, Internal Revenue Service on items i., ii., iii., v., vi., viii, and ix in this section on December 3, 2015 and February 24, 2016. Notices of Administrative Forfeiture were filed with this Court on January 22, 2016 (Doc. 18) and April 22, 2016 (Doc. 26). The United States no longer seeks criminal judicial forfeiture of these properties.

c. United States Currency²

U.S. Currency in the amount of \$1,052.00 seized on June 8, 2015 at 3212 Rudy Street, Knoxville, Tennessee, 37921;

U.S. Currency in the amount of \$3,000.00 seized on June 8, 2015 at 3212 Rudy Street, Knoxville, Tennessee, 37921;

U.S. Currency in the amount of \$13,330.95 seized on June 8, 2015 at 3212 Rudy Street, Knoxville, Tennessee, 37921;

U.S. Currency in the amount of \$281.00 seized on June 8, 2015 at 3212 Rudy Street, Knoxville, Tennessee, 37921;

U.S. Currency in the amount of \$6,550.00 seized on June 8, 2015 at 3212 Rudy Street, Knoxville, Tennessee, 37921;

U.S. Currency in the amount of \$425.25 seized on June 8, 2015 at 3212 Rudy Street, Knoxville, Tennessee, 37921;

U.S. Currency in the amount of \$21,271.00 seized on June 8, 2015 at 3204 Rudy Street, Knoxville, Tennessee, 37921;

U.S. Currency in the amount of \$82,049.00 seized on June 8, 2015 at 3204 Rudy Street, Knoxville, Tennessee, 37921;

U.S. Currency in the amount of \$66,413.00 seized on June 8, 2015 at 3204 Rudy Street, Knoxville, Tennessee, 37921;

U.S. Currency in the amount of \$4,569.00 seized on June 8, 2015 at 3204 Rudy Street, Knoxville, Tennessee, 37921; and

U.S. Currency in the amount of \$301.00 seized on June 8, 2015 at 2228 McCalla Avenue, Knoxville, Tennessee 37915.

d. Vehicles

2004 BMW, dark gray in color, VIN: WBAGN63454DS49875; Tag# 162-SQR, registered to Palace Package Store, Inc., 3210 Rudy St., Knoxville, TN 37921;³

² Administrative Forfeiture of the currency in this section was completed by the United States Department of Treasury, Internal Revenue Service on December 3, 2015. A Notice of Administrative Forfeiture was filed with this Court on January 22, 2016 (Doc. 18). The United States no longer seeks criminal judicial forfeiture of these properties.

³ The United States has decided not pursue forfeiture of this vehicle. A Motion to Dismiss (Doc. 25) was filed with this Court on April 22, 2016. An Order (Doc. 27) dismissing the vehicle from the Indictment was filed on May 26, 2016.

2009 Ford F150 Pickup Truck, white in color, VIN:
1FTRF12WX9KC36038, Tag# M63-88C, registered to George M. Hall,
2801 Maple Hollow, Lane, Knoxville, TN 37931-4141;⁴

2014 Porsche Panamera, black in color, VIN# WP0AA2A76EL006142,
Tag# 981-ZFF, registered to George M. Hall, 700 E. Depot Ave,
Knoxville, TN 37917-7611; and⁵

2009 Chrysler 300, red in color, VIN: 2C3KA33V99H601239, Tag# 150-VHB,
registered to Phillip D. and Mary H. Dean, 840 Cunningham St.,
Alcoa, TN 37701-1504.

e. Real Property

2553 Moss Creek Road, Knoxville, Tennessee 37912⁶

Situated in District No. Five (5) of Knox County, Tennessee, and within the 40th Ward of the city of Knoxville, Tennessee, and being known and designated as lot 115R, in Moss Creek Villas, Unit 7, a subdivision to Knox County, Tennessee, as shown by map of said subdivision recorded as Instrument No. 200209230025071, in the Knox County register's office, said lot being more particularly bounded and described as shown by map aforesaid, to which map specific reference is hereby made for a more particular description.

The source of the above description being the same as previous deed of record; no boundary survey having been obtained at the time of this conveyance.

Being the same property conveyed to Maurece D. McDowell by Warranty Deed from Moss Creek Villas, L.L.C., a Tennessee limited liability company dated June 30, 2003 recorded July 2, 2003 in instrument no. 200307020001375, in the register's office for Knox county, Tennessee.

The conveyance is made subject to any and all applicable restrictions, easements and building setback line as are shown in the records of the

⁴ The 2009 Ford F150 Pickup Truck sold at public auction for the amount of \$7,100.00 pursuant to an Order for Interlocutory Sale entered by this Court on December 11, 2015 (Doc. 13) in a related case under Docket No. 3:15-CR-154; *United States of America v. George Marcus Hall*.

⁵ The 2014 Porsche Panamera sold at public auction for the amount of \$51,000.00 pursuant to an Order for Interlocutory Sale entered by this Court on December 11, 2015 (Doc. 13) in a related case under Docket No. 3:15-CR-154; *United States of America v. George Marcus Hall*.

⁶ The defendant's interest in the real property located at 2553 Moss Creek Road will not be forfeited in the above-captioned case and the United States will move to dismiss the forfeiture allegations against the property at or before sentencing.

Knox County register's office, and further to any matter and/or condition which would be disclosed by a current, accurate survey or inspection of the property herein described.

Tax Identification # 080AK-009

For further reference see Warranty Deed recorded on July 2, 2003 as Instrument Number 200307020001375 and Quit Claim Deed recorded on August 27, 2014 as Instrument Number 201408270012021 in the Register of Deeds for Knox County, Tennessee.

3204 Rudy Street, Knoxville, Tennessee 37921

SITUATED in District No. Five (5) of Knox County, Tennessee and within the 19th Ward of the city of Knoxville, Tennessee, and being described in two tracts as follows:

Tract one: beginning at a stake on the east side of Rudy Street, distant in a northerly direction 152 feet from the northeast corner of Rudy and Heiskell street; thence north 22 deg. 15 min. west along the east side of Rudy street a distance of 55 feet to a stake; thence north 54 deg. 30 min. east being parallel with Tellman Parnell Line, a distance of 190 feet to a stake; thence south 29 deg. east 45 feet to a stake; thence south 51 deg. 45 min. west, 196 feet to the place of beginning.

Tract two: being the western one half of that certain property conveyed to Lester E. Wallace and wife, Catherine Wallace by Deed from Hubell Taylor and wife, Zelma, of record in deed book 699, page 428, in the Register's Office for Knox County, Tennessee, and particularly described as follows:

Beginning at the northeast corner of Rudy and Heiskell Streets; thence in a northwesterly direction along the eastern line of Rudy Street, a distance of 152 feet to the corner of the property now or formerly owned by second parties formerly owned by Wolfenbarger and Keith; thence north 51 deg. 45 min. east, a distance of 98 feet to a point; thence south 29 deg. east, a distance of 150 feet, more or less, to a point in the northwest line of Heiskell Street said point being distant in a northeasterly direction a distance of 104 feet from the northeast corner of Rudy and Heiskell Streets; thence along said Heiskell Street, a distance of 104 feet to the point of beginning. Bearing city code no. 19-280-0iaaa.

There is excepted from the above that portion of property acquired for highway purposes.

The above description being the same as the previous deed of record; no boundary survey having been obtained at the time of this conveyance.

Being part of the same property conveyed to Ruth F. Toole, by Robert W. Toole (being one and the same person as Bob Toole and Robert Toole), by Quit Claim Deed dated April 10, 1996, recorded April 10, 1996, in deed book 2208, page 792, in the Register's Office for Knox County, Tennessee.

Reference is further made to correction deed of record in deed book 2305, page 590, in said Register's Office.

This conveyance is made subject to any and all applicable restrictions, building setback lines, any and all existing easements and all other matters of record in the Register's Office for Knox County, Tennessee.

For further reference see Warranty Deed recorded on June 9, 2006 as Instrument Number 200606090103848 and Quit Claim Deed recorded on May 8, 2009 as Instrument Number 200905080072291 in the Register of Deeds for Knox County, Tennessee.

3208 and 3212 Rudy Street, Knoxville, Tennessee 37921

SITUATED in the Fifth (5th) Civil district of Knox County, Tennessee, and within the 19TH Ward of the City of Knoxville, Tennessee, and being known and designated as all of Lot 1 of THE FINAL PLAT OF THE SUBDIVISION OF THE PALACE PACKAGE STORE PROPERTY, as shown on the survey of Gary L. Roth, Jr., RLS #2051, recorded as Instrument No. 200910090025970, in the Register's Office for Knox County, Tennessee, to which plat specific reference is hereby made for a more particular description.

THE source of the above description being the plat recorded as Instrument No. 200910090025970, in the Register's Office for Knox County, Tennessee; no boundary survey having been obtained at the time of this conveyance.

THIS CONVEYANCE IS MADE TOGETHER WITH and subject to a 25 foot permanent, non-exclusive easement granted over, across, along and under the above described property for ingress and egress to Lot 2 of THE FINAL PLAT OF THE SUBDIVISION OF THE PALACE PACKAGE STORE PROPERTY, as shown on the survey of Gary L. Roth, Jr., RLS #2051, recorded as Instrument No. 200910090025970, in the Register's Office for Knox County, Tennessee, with responsibility for the maintenance and any expenses or repairs associated with said permanent, non-exclusive easement to be the joint responsibility of the owners of Lot 1 and Lot 2 as shown on the aforesaid Plat. The 25 foot permanent, non-exclusive easement being more fully described in Declaration of Easement for Ingress and Egress, recorded October 9, 2009, as Instrument No. 200910090025971, in the Register's Office for Knox County, Tennessee.

BEING part of the same property conveyed to PALACE PACKAGE STORE, INC., by RUTH F. TOOLE, UNMARRIED WIDOW, by Warranty Deed dated June 5, 2006, recorded June 9, 2006, as Instrument No. 200606090103848, in the Register's Office for Knox County, Tennessee.

Reference is also made to Quitclaim Deed to PALACE PACKAGE STORE, INC. from the STATE OF TENNESSEE, acting by its Commissioner of Transportation, recorded May 8, 2009, as Instrument No. 200905080072291, in the Register's Office for Knox County, Tennessee.

For further reference see Warranty Deed recorded on February 18, 2010 as Instrument Number 201002180053395 in the Register of Deeds for Knox County, Tennessee.

On December 16, 2015, a Plea Agreement was filed wherein the defendant, MAURECE DAMONE McDOWELL, pled guilty to the offenses charged in the Indictment and agreed to the forfeiture of the properties set forth above. In addition, the defendant agreed to a money judgment in the amount of \$5,000,000.00, which represents the amount of money paid to the defendant directly or indirectly as a result of the gambling and money laundering conspiracy.

On January 14, 2016, this Court accepted the guilty plea of the defendant MAURECE DAMONE McDOWELL, and by virtue of the guilty plea and conviction, the Court has determined that the properties identified above are subject to forfeiture pursuant to Title 18, United States Code, Sections 1955(d), 981(a)(1)(C), and 982(a)(1) and Title 28, United States Code, Section 2461(c), and that the United States has established the requisite nexus between the properties and the offenses for seizure pursuant to Title 21, United States Code, Section 853, as incorporated by Title 18, United States Code, Section 982(b)(1), and Rule 32.2(b) of the Federal Rules of Criminal Procedure.

On March 29, 2016, a Bill of Particulars for Forfeiture of Property (Doc. 22) was filed to include the following properties in the forfeiture allegations of the Indictment:

- a) 14kt gold diamond solitaire ring seized on June 8, 2015 at 3204 Rudy Street, Knoxville, Tennessee, 37921;

- b) Waterfall ring with 19 diamonds seized on June 8, 2015 at 2801 Maple Hollow Lane, Knoxville, Tennessee 37931;
- c) 14kt white gold bracelet with diamonds (Tag - \$21,000) seized on June 8, 2015 at 2801 Maple Hollow Lane, Knoxville, Tennessee 37931;
- d) Gents Rolex 2003, Serial #F866576 seized on June 8, 2015 at 3204 Rudy Street, Knoxville, Tennessee, 37921;
- e) 14kt yellow gold approximately 2.00 ct diamond ring seized on June 8, 2015 at 3204 Rudy Street, Knoxville, Tennessee, 37921;
- f) 9.5 mm 8" 14 kt yellow gold heavy curb chain bracelet 33.57 DWT seized on June 8, 2015 at 3204 Rudy Street, Knoxville, Tennessee, 37921;
- g) Jewelry stolen during home burglary at 2801 Maple Hollow Lane, Knoxville, Tennessee 37931;⁷
- h) Contents of People's Bank of the South CD, account number xxx4639 in the name of Clarence and Maurece McDowell;
- i) Contents of TVA Employee Credit Union account number xxx7348-80 in the name of George Marcus Hall;
- j) U.S. currency in the amount of \$61,616.87 seized at 3212 Rudy Street, Knoxville, Tennessee, 37921;
- k) Real property located in the Eighth Civil District of Knox County, Tennessee at 309 Tillery Drive, Knoxville, Tennessee 37912, belonging to Triple M, LLC. For further reference see Warranty Deed recorded on October 26, 2011, as Instrument Number 201110260022356 in the Register of Deeds for Knox County, Tennessee;
- l) Real property located in the Eighth Civil District of Knox County, Tennessee at 0 Jones Road, Knoxville, Tennessee 37918, belonging to Maurece McDowell. For further reference see Warranty Deed recorded on October 15, 2001 as Instrument Number 200110150029274 in the Register of Deeds for Knox County, Tennessee;

⁷ The United States later learned that this jewelry includes, but is not limited to, a U-Boat watch, a Bulgari watch, a Baume and Mercier watch, a Philip Stein watch, a Tokyo Bay watch, and a Lockman watch.

- m) Real property located in the Fifth Civil District of Knox County, Tennessee at 1220 Cassell Drive, Knoxville, Tennessee 37912, belonging to Triple M, LLC. For further reference see Warranty Deed recorded on October 26, 2011 as Instrument Number 201110260022357 in the Register of Deeds for Knox County, Tennessee; and
- n) Real property located in the Fourth Civil District of Loudon County, Tennessee at 246 Hummingbird Drive, Vonore, Tennessee 37885, belonging to Amanda A. McDowell. For further reference see Quit Claim Deed recorded on December 28, 2010 in Book D345, Pages 81-82 in the Register of Deeds for Loudon County, Tennessee.

Accordingly, it is hereby ORDERED, ADJUDGED, and DECREED:

1. That based upon the conviction of the defendant, MAURECE DAMONE McDOWELL, for offenses in violation of Title 18, United States Code, Sections 1955 and 1956(h), the defendant agrees to forfeit the following properties pursuant to Title 18, United States Code, Sections 1955(d), 981(a)(1)(C), and 982(a)(1) and Title 28, United States Code, Section 2461(c) and Rule 32.2(b) of the Federal Rules of Criminal Procedure:

a. Money Judgment

A money judgment in the sum of \$5,000,000.00, which represents the amount of money paid to the defendant directly or indirectly as a result of the gambling and money laundering conspiracy.

b. Bank Accounts and Currency

Contents of People's Bank of the South, account number xxx619 in the name of Palace Package Store, Inc. and Clarence McDowell;

U.S. Currency in the amount of \$102,024.11, seized from BB&T account number xxx6280, in the name of George Marcus Hall;

Contents of People's Bank of the South CD, account number xxx4639 in the name of Clarence and Maurece McDowell;

Contents of TVA Employee Credit Union account number xxx7348-80 in the name of George Marcus Hall; and

U.S. currency in the amount of \$61,616.87 seized at 3212 Rudy Street, Knoxville, Tennessee, 37921.

c. Vehicles

Proceeds in the amount of \$1,000.00 received from Phillip D. Dean in lieu of forfeiture of 2009 Chrysler 300, red in color, VIN: 2C3KA33V99H601239, Tag# 150-VHB, registered to Phillip D. and Mary H. Dean, 840 Cunningham St., Alcoa, TN 37701-1504;

Sales proceeds in the amount of \$7,100.00 for the 2009 Ford F150 Pickup Truck, white in color, VIN: 1FTRF12WX9KC36038, Tag# M63-88C, registered to George M. Hall, 2801 Maple Hollow, Lane, Knoxville, TN 37931-4141; and

Sales proceeds in the amount of \$51,300.00 for the 2014 Porsche Panamera, black in color, VIN# WP0AA2A76EL006142, Tag# 981-ZFF, registered to George M. Hall, 700 E. Depot Ave, Knoxville, TN 37917-7611.

d. Jewelry

14kt gold diamond solitaire ring seized on June 8, 2015 at 3204 Rudy Street, Knoxville, Tennessee, 37921;

Waterfall ring with 19 diamonds seized on June 8, 2015 at 2801 Maple Hollow Lane, Knoxville, Tennessee 37931;

14kt white gold bracelet with diamonds (Tag - \$21,000) seized on June 8, 2015 at 2801 Maple Hollow Lane, Knoxville, Tennessee 37931;

Gents Rolex 2003, Serial #F866576 seized on June 8, 2015 at 3204 Rudy Street, Knoxville, Tennessee, 37921;

14kt yellow gold approximately 2.00 ct diamond ring seized on June 8, 2015 at 3204 Rudy Street, Knoxville, Tennessee, 37921;

9.5 mm 8" 14 kt yellow gold heavy curb chain bracelet 33.57 DWT seized on June 8, 2015 at 3204 Rudy Street, Knoxville, Tennessee, 37921; and

Jewelry stolen during home burglary at 2801 Maple Hollow Lane, Knoxville, Tennessee 37931, which includes, but is not limited to the following properties:

- i) a U-Boat watch;
- ii) a Bulgari watch;
- iii) a Baume and Mercier watch;
- iv) a Philip Stein watch;
- v) a Tokyo Bay watch; and
- vi) a Lockman watch

e. Real Property

Real property located in the Fifth Civil District of Knox County, Tennessee at 3204 Rudy Street, Knoxville, Tennessee 37921, belonging to Palace Package Store, Inc. For further reference see Warranty Deed recorded on June 9, 2006 as Instrument Number 200606090103848 and Quit Claim Deed recorded on May 8, 2009 as Instrument Number 200905080072291 in the Register of Deeds for Knox County, Tennessee.

Real property located in the Fifth Civil District of Knox County, Tennessee at 3208 and 3212, Rudy Street, Knoxville, Tennessee 37921, belonging to Triple M Property Management, LLC. For further reference see Warranty Deed recorded on February 18, 2010 as Instrument Number 201002180053395 in the Register of Deeds for Knox County, Tennessee.

Real property located in the Eighth Civil District of Knox County, Tennessee at 309 Tillery Drive, Knoxville, Tennessee 37912, belonging to Triple M, LLC. For further reference see Warranty Deed recorded on October 26, 2011, as Instrument Number 20110260022356 in the Register of Deeds for Knox County, Tennessee.

Real property located in the Eighth Civil District of Knox County, Tennessee at 0 Jones Road, Knoxville, Tennessee 37918, belonging to Maurece McDowell. For further reference see Warranty Deed recorded on October 15, 2001 as Instrument Number 200110150029274 in the Register of Deeds for Knox County, Tennessee.

Real property located in the Fifth Civil District of Knox County, Tennessee at 1220 Cassell Drive, Knoxville, Tennessee 37912, belonging to Triple M, LLC. For further reference see Warranty Deed recorded on October 26, 2011 as Instrument Number 20110260022357 in the Register of Deeds for Knox County, Tennessee.

Real property located in the Fourth Civil District of Loudon County, Tennessee at 246 Hummingbird Drive, Vonore, Tennessee 37885, belonging to Amanda A. McDowell. For further reference see Quit Claim Deed recorded on December 28, 2010 in Book D345, Pages 81-82 in the Register of Deeds for Loudon County, Tennessee.

2. That the aforementioned forfeited properties are to be held by the United States

Department of Treasury, Internal Revenue Service, or its designated agency in its secure custody and control.

3. That pursuant to Rule G(5) of the Supplemental Rules for Admiralty or Maritime Claims and Asset Forfeiture Actions, the United States shall give notice of its intent to dispose of the forfeited properties in such a manner as the United States Secretary of Treasury may direct. The Notice shall provide that any person other than the defendant, having or claiming a legal interest in the above-listed forfeited properties must file a petition with the Court within sixty (60) days from the first day of publication of this Notice on the official United States Government internet website, which is www.forfeiture.gov.

4. The notice shall also state that the petition for a hearing to adjudicate the validity of the petitioner's alleged interest in the properties shall be signed by the petitioner under penalty of perjury and shall set forth the nature and extent of the petitioner's right, title and interest in the properties, the time and circumstances of the petitioner's acquisition of the right, title and interest in the properties and any additional facts supporting the petitioner's claim and the relief sought. The United States may also, to the extent practicable, provide direct written notice to any person, as a substitute for published notice as to those persons so notified.

5. That upon adjudication of all other or third-party interests in the properties, this Court will enter a Final Order of Forfeiture pursuant to Title 21, United States Code, Section 853, as incorporated by Title 18, United States Code, Section 982(b)(1), in which all interests will be addressed.

6. That the Court shall retain jurisdiction to enforce this Order, and to amend it as necessary, pursuant to the Federal Rules of Criminal Procedure Rule 32.2(e).

7. That the Clerk of this Court shall provide a certified copy of this Order to the United States Attorney's Office.

ENTER:



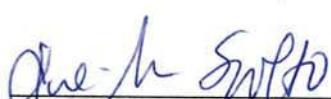
THOMAS A. VARLAN

CHIEF UNITED STATES DISTRICT JUDGE

Submitted by:

NANCY STALLARD HARR
Acting United States Attorney

By:



ANNE-MARIE SVOLTO
Assistant United States Attorney



MAURECE DAMONE McDOWELL
Defendant



JOHN E. ELDRIDGE
Attorney for the Defendant